



## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-851-805]

#### Emulsion Styrene-Butadiene Rubber from the Czech Republic: Final Affirmative Determination of Sales at Less Than Fair Value

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) determines that imports of emulsion styrene-butadiene rubber (ESBR) from the Czech Republic are being, or are likely to be, sold in the United States at less than fair value (LTFV) for the period of investigation (POI) October 1, 2020, through September 30, 2021.

DATES: Applicable [Insert date of publication in the *Federal Register*]

FOR FURTHER INFORMATION CONTACT: Leo Ayala, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3945.

#### SUPPLEMENTARY INFORMATION:

##### Background

On June 27, 2022, Commerce published in the *Federal Register* the preliminary affirmative determination in the LTFV investigation of ESBR from the Czech Republic, in which it also postponed the final determination until November 9, 2022.<sup>1</sup> We invited interested parties to comment on the *Preliminary Determination*. A summary of the events that occurred since

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<sup>1</sup> See *Emulsion Styrene-Butadiene Rubber from the Russian Federation: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination and Extension of Provisional Measures*, 87 FR 38060 (June 27, 2022) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum.

Commerce published the *Preliminary Determination* may be found in the Issues and Decision Memorandum.<sup>2</sup>

### Scope of the Investigation

The product covered by this investigation is ESBR from the Czech Republic. For a complete description of the scope of this investigation, *see* Appendix I.

### Analysis of Comments Received

All the issues raised in the case and rebuttal briefs that were submitted by parties in this investigation are addressed in the Issues and Decision Memorandum. A list of the issues addressed in the Issues and Decision Memorandum is attached to this notice as Appendix II. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

### Verification

Commerce conducted verification of the information relied upon in making its final determination in this investigation with respect to Synthos Kralupy a.s. (Synthos), in accordance with section 782(i) of the Tariff Act of 1930, as amended (the Act).<sup>3</sup> Specifically, Commerce conducted on-site verifications of the home market sales, U.S. sales, and cost of production responses submitted by Synthos.

### Changes Since the *Preliminary Determination*

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<sup>2</sup> See Memorandum, "Decision Memorandum for the Final Determination in the Less-Than-Fair-Value Investigation of Emulsion Styrene-Butadiene Rubber from the Czech Republic," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

<sup>3</sup> See Memoranda, "Verification of the Cost Responses of Synthos Kralupy a.s. in the Antidumping Duty Investigation of Emulsion Styrene-Butadiene Rubber from the Czech Republic," dated August 1, 2022; and "Less-Than-Fair-Value Investigation of Emulsion Styrene-Butadiene Rubber from the Czech Republic: Verification of Sales Responses of Synthos Kralupy a.s.," dated September 20, 2022.

Based on our analysis of the comments received, we have made certain changes to the margin calculations for Synthos. For a discussion of these changes, *see* the Issues and Decision Memorandum.

#### All-Others Rate

Section 735(c)(5)(A) of the Act provides that the estimated weighted-average dumping margin for all other producers and exporters not individually investigated shall be equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated excluding rates that are zero, *de minimis*, or determined entirely under section 776 of the Act (*i.e.*, facts otherwise available).

Commerce calculated an individual estimated weighted-average dumping margin for Synthos, the only individually-examined exporter/producer in this investigation. Because the only individually calculated dumping margin is not zero, *de minimis*, or based entirely on facts otherwise available, the estimated weighted-average dumping margin calculated for Synthos is the margin assigned to all other producers and exporters, pursuant to section 735(c)(5)(A) of the Act.

#### Final Determination

Commerce determines that the following estimated weighted-average dumping margins exist for the period October 1, 2020, through September 30, 2021:

<b>Exporter/Producer</b>	<b>Estimated Weighted-Average Dumping Margin (percent)</b>
Synthos Kralupy a.s.	8.04
All Others	8.04

#### Disclosure

We intend to disclose to interested parties the calculations and analysis performed in this final determination within five days of public announcement or, if there is no public announcement, within five days of the date of publication of this notice in the *Federal Register*, in accordance with 19 CFR 351.224(b).

### Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, Commerce will instruct U.S. Customs and Border Protection (CBP) to continue to suspend the liquidation of all appropriate entries of subject merchandise, as described in Appendix I of this notice, entered, or withdrawn from warehouse, for consumption on or after June 27, 2022, the date of publication of the affirmative *Preliminary Determination* in the *Federal Register*. These suspension of liquidation instructions will remain in effect until further notice.

Pursuant to section 735(c)(1)(B)(ii) of the Act and 19 CFR 351.210(d), upon publication of this notice, we will instruct CBP to require a cash deposit for estimated antidumping duties for such entries as follows: (1) the cash deposit rate for Synthos is the company-specific estimated weighted-average dumping margin determined in this final determination; (2) if the exporter is not a company identified above, but the producer is, then the cash deposit rate will be equal to the company-specific estimated weighted-average dumping margin established for that producer of the subject merchandise; and (3) the cash deposit rate for all other producers and exporters will be the all-others estimated weighted-average dumping margin listed above.

### U.S. International Trade Commission Notification

In accordance with section 735(d) of the Act, Commerce will notify the U.S. International Trade Commission (ITC) of the final determination of sales at LTFV. Because the final determination in this investigation is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports or sales (or the likelihood of sales) for importation of ESBR no later than 45 days after this final determination. If the ITC determines that such injury does not exist, this proceeding will be terminated, and all cash deposits posted will be refunded and suspension of liquidation will be lifted. If the ITC determines that such injury does exist, Commerce will issue an antidumping duty order directing CBP to assess, upon further instruction by Commerce, antidumping duties

on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation, as discussed in the “Continuation of Suspension of Liquidation” section above.

#### Administrative Protective Order

This notice will serve as the only reminder to the parties subject to an administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

#### Notification to Interested Parties

This determination is issued and published in accordance with sections 735(d) and 777(i)(1) of the Act, and 19 CFR 351.210(c).

Dated: November 9, 2022.

Lisa W. Wang,  
Assistant Secretary  
for Enforcement and Compliance.

## Appendix I

### Scope of the Investigation

The products covered by this investigation are cold-polymerized emulsion styrene-butadiene rubber (ESB rubber). The scope of the investigation includes, but is not limited to, ESB rubber in primary forms, bales, granules, crumbs, pellets, powders, plates, sheets, strip, *etc.* ESB rubber consists of non-pigmented rubbers and oil-extended non-pigmented rubbers, both of which contain at least one percent of organic acids from the emulsion polymerization process.

ESB rubber is produced and sold in accordance with a generally accepted set of product specifications issued by the International Institute of Synthetic Rubber Producers (IISRP). The scope of the investigation covers grades of ESB rubber included in the IISRP 1500 and 1700 series of synthetic rubbers. The 1500 grades are light in color and are often described as “Clear” or “White Rubber.” The 1700 grades are oil-extended and thus darker in color, and are often called “Brown Rubber.”

Specifically excluded from the scope of this investigation are products which are manufactured by blending ESB rubber with other polymers, high styrene resin master batch, carbon black master batch (*i.e.*, IISRP 1600 series and 1800 series) and latex (an intermediate product).

The products subject to this investigation are currently classifiable under subheadings 4002.19.0015 and 4002.19.0019 of the Harmonized Tariff Schedule of the United States (HTSUS). ESB rubber is described by Chemical Abstracts Services (CAS) Registry No. 9003–55–8. This CAS number also refers to other types of styrene butadiene rubber. Although the HTSUS subheadings and CAS registry number are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

## **Appendix II**

### **List of Topics Discussed in the Issues and Decision Memorandum**

- I. Summary
- II. Background
- III. Period of Investigation
- IV. Scope of the Investigation
- V. Changes Since the *Preliminary Determination*
- VI. Affiliation
- VII. Discussion of the Issues
  - Comment 1: Whether to Apply Adverse Facts Available (AFA) to Synthos
  - Comment 2: Synthos' Reported Date of Sale
  - Comment 3: Whether to Cap Freight Revenue in the U.S. and Home Markets
  - Comment 4: Whether to Use Synthos' Actual Short-Term Borrowing Rate
- VIII. Recommendation

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